

Message Text

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20

ACTION EB-11

INFO OCT-01 ARA-16 ISO-00 AID-20 CIAE-00 COME-00 FRB-02

INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12 SPC-03

CIEP-02 LAB-06 SIL-01 OMB-01 DRC-01 AEC-11 SCI-06 L-03

EA-11 /125 W

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R 302300Z NOV 73

FM AMEMBASSY MEXICO

TO AMEMBASSY MANILA

INFO SECSTATE WASHDC 9034

LIMITED OFFICIAL USE MEXICO 9006

EO 11652: N/A

TAGS: EFIN, RP, MX

SUBJ: PROPOSED PHILIPPINE NUCLEAR POWER PLANT

REF: MANILA 12922

1. WE DO NOT KNOW HOW MUCH INFORMATION PHILIPPINE OFFICIALS HAVE RECEIVED FROM EXIM OR OTHER SOURCES ON FINANCING PACKAGE ARRANGED FOR MEXICAN NUCLEAR POWER PLANTS. IN ANY EVENT, HERE ARE DETAILS OBTAINED LOCALLY FROM GE THAT COULD BE MADE AVAILABLE TO THOSE OFFICIALS AT YOUR DISCRETION.

2. FOR FIRST UNIT, EXIM COVERED 45 PERCENT OF THE NUCLEAR STEAM SUPPLY SYSTEM AT 6 PERCENT INTEREST, WITH US COMMERCIAL BANK TAKING ANOTHER 45 PERCENT. EXIM GUARANTEED 7 PERCENT INTEREST OVERALL. NAFIN, AN AGENCY OF THE MEXICAN GOVERNMENT, ACTED AS GUARANTOR. TERMS WERE 15-YEAR PAYMENT WITH 5-YEAR GRACE PERIOD. US COMMERCIAL BANK WILL TAKE THE FRONT END MATURITIES AND EXIM THE LATTER MATURITIES. TOTAL COST OF THE NSSS TO BE SUPPLIED BY GE WITH CERTAIN OPTIONS, ACCESSORIES, SERVICES AND FUEL RELOADS: ABOUT \$43 MILLION.

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3. GE UNDERSTANDS THAT THE JAPANESE GOVERNMENT IS HANDLING THE FINANCING OF THE MITSUBISHI TURBINES, PRESUMABLY THROUGH THE JAPANESE EXIM BANK.

4. FOR THE SECOND UNIT, EXIM WILL AGAIN COVER 45 PERCENT OF THE COST AT 6 PERCENT INTEREST, GUARANTEED BY NAFIN. THE MEXICAN ELECTRICITY COMMISSION (CFE) AND GE ARE LOOKING FOR A US COMMERCIAL BANK LOAN TO COVER ANOTHER 45 PERCENT. CFE WANTS THE INTEREST ON THIS BANK LOAN TO BE MIXED WITH EXIM FINANCING IN SUCH A WAY THAT THE INTEREST ON THE TOTAL OF 90 PERCENT FINANCING WILL AGAIN BE NO MORE THAN 7 PERCENT. REPAYMENT AND GRACE PERIODS, AND THE GE CONTRACT, ARE THE SAME AS FOR THE FIRST UNIT.

5. THE ARCHITECTURAL/ENGINEERING CONTRACT WILL AMOUNT TO \$14 MILLION FOR LOCAL COSTS, WITH MIXED SOURCE FINANCING.

6. CONSTRUCTION COSTS NOT INCLUDED IN ABOVE FIGURES.
MCBRIDE

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Message Attributes

Automatic Decaptioning: X
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Disposition Case Number: n/a
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Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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EO Systematic Review
30 JUN 2005

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